



STATE OF MICHIGAN

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Michigan's December Jobless Rate Up Slightly *Annual Rate Falls for Eighth Consecutive Year*

Lansing – Michigan's seasonally adjusted unemployment rate in December edged upward over the month by one-tenth of a percentage point to 4.7 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment moved upward over the month by 5,000 while the number of unemployed also increased, advancing by 7,000. This pushed the state's workforce up by 12,000 in December.

The Michigan jobless rate in December 2017 was four-tenths a percentage point below the state's December 2016 rate of 5.1 percent. The national jobless rate declined by six-tenths of a percentage point over this period. The state's unemployment rate in December was six-tenths of a percentage point above the national rate. The U.S. jobless was unchanged at 4.1 percent in December.

"2017 marked another solid year for Michigan's labor market," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "The state's jobless rate fell for the eighth straight year, while payroll jobs rose for the seventh consecutive year. However, employment gains were somewhat below the 2016 advance."

Monthly Labor Force Trends & Highlights

- Michigan's December jobless rate was the highest recorded in the state since April.
- December marked the second consecutive month of total employment gains in the state after employment declined for five straight months from June through October.
- The December workforce advance was the state's fourth monthly increase in a row after Michigan's labor force slumped somewhat over the summer months. Since August, Michigan's labor force grew by 54,000 or 1.1 percent.
- From the third quarter to the fourth quarter 2017, the state's unemployment rate increased by six-tenths of a percentage point to 4.6 percent. This was the first quarterly jobless rate advance since the first quarter 2017. Over the quarter, the number of unemployed in Michigan increased by 32,000, while total employment was essentially flat. The net result was a 32,000 gain in the state's workforce.

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MICHIGAN
Labor Force Estimates

Seasonally Adjusted
(Data in Thousands)

	December 2016	November 2017	December 2017	Change	
				Month	Year
Civilian Labor Force	4,862	4,875	4,887	12	25
Employment	4,616	4,651	4,656	5	40
Unemployment	246	224	231	7	-15
Rate (Percent)	5.1	4.6	4.7	xxx	xxx

Michigan's 2017 Preliminary Annual Average Labor Force Data

Michigan's preliminary annual average unemployment rate in 2017 was 4.5 percent, which was similar to the 4.4 percent national annual rate. Total employment in Michigan averaged 4,654,000 in 2017, while the number of unemployed in the state averaged 220,000. The state's annual average labor force level was 4,874,000.

Annual Average Trends and Highlights

- Michigan's preliminary 2017 annual average unemployment rate of 4.5 percent declined by 0.4 of a percentage point from the 2016 annual rate of 4.9 percent.
- 2017 marked the eighth consecutive year of annual unemployment rate reductions in Michigan. The state's rate fell by 9.2 percentage points since the recent annual high of 13.7 percent recorded in 2009.
- Michigan's 2017 annual rate was the fifth lowest recorded for the state since the official series began in 1976, and the lowest annual rate since the 3.6 percent rate posted in 2000.
- During 2017, the number of unemployed in Michigan declined by 18,000 or 7.4 percent. Nationally, the number of unemployed decreased by 9.9 percent over this period. Since the end of the Great Recession in 2009, the number of unemployed in Michigan fell by 450,000 or 67 percent.
- Since annual 2016, total employment in the state rose by 55,000 or 1.2 percent, which was similar to the national gain of 1.3 percent. Total employment in the state has risen for seven years in a row. Michigan's 2017 annual percentage employment gain was the smallest since 2012. Since 2010, total employment in the state increased by 460,000 or 11.0 percent.
- The state's workforce expanded by 37,000 or 0.8 percent in 2017 after increasing by 79,000 or 1.7 percent from 2015 to 2016. Michigan's labor force has grown for five consecutive years after declining every year from 2006 through 2012. From 2012 to 2017, the state's workforce moved upward by 201,000 or 4.3 percent.

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Detroit Metropolitan Area's December Unemployment Rate Up, Annual Rate Down

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in December increased by three-tenths of a percentage point to 4.6 percent. The Detroit area's workforce advanced by 6,000 over the month as the number of unemployed increased by 7,000, while total employment was little changed. The metro region's December jobless rate was the highest recorded in the area since May, but was well below rates posted in the first four months of the year. December's workforce gain was the region's fourth monthly increase in a row.

Since December 2016, the Detroit metropolitan area's jobless rate fell by one and one-tenth percentage points. Over that period, total employment rose by 42,000 or 2.1 percent and the number of unemployed decreased by 21,000 or 17.8 percent. The region's workforce grew by 22,000 or 1.1 percent since December 2016. The over-the-year growth in the Detroit metro region's labor force and total employment outpaced both the state and the nation, while the reduction in the number of unemployed was more pronounced as well.

**Detroit-Warren-Dearborn MSA
Labor Force Estimates**

Seasonally Adjusted
(Data in Thousands)

	December 2016	November 2017	December 2017	Change	
				Month	Year
Civilian Labor Force	2,084	2,100	2,106	6	22
Employment	1,967	2,010	2,009	-1	42
Unemployment	118	90	97	7	-21
Rate (Percent)	5.7	4.3	4.6	xxx	xxx

Detroit MSA 2017 Preliminary Annual Average Labor Force Trends and Highlights

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) preliminary annual average unemployment rate in 2017 of 4.5 percent fell by nine-tenths of a percentage point from the 2016 annual rate of 5.4 percent. This marks the eighth consecutive annual rate reduction for the region, falling by 10.6 percentage points since the recent high of 15.1 percent recorded in 2009. The area's annual rate in 2017 matched the state's annual rate. The Detroit MSA's 2017 annual rate was the lowest for the area since the 2000 rate of 3.4 percent. From 2016 to 2017, total employment rose by 44,000 or 2.3 percent and the number of unemployed declined by 17,000 or 15.5 percent. The net result was a 27,000 or 1.3 percent increase in the regional workforce over the year. The 2017 total employment gain for the region was the seventh consecutive annual increase. The 2017 employment advance in the region fell slightly short of the 2016 increase of 51,000 or 2.7 percent.

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December Payroll Jobs Up, Annual Jobs Increase for Seventh Consecutive Year

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs increased in December by 10,000 to 4,426,000. During December, all the state's major industry sectors either recorded minor job gains or were stable. The only notable over-the-month increases were posted in *Construction* (+2,000), *Manufacturing* (+2,000) and *Government* (+2,000).

Industry Employment Trends and Highlights

- In 2017, Michigan recorded a seventh consecutive year of payroll job gains. Preliminary data indicate that job totals rose by 68,000 or 1.6 percent from annual 2016 to annual 2017. Since 2010, overall payroll jobs in Michigan rose by 530,000 or 13.7 percent. The 2017 job advance lagged the 2016 increase of 82,100 or 1.9 percent, but was above the 2015 increase of 61,500 or 1.5 percent. Michigan's 1.6 percent annual 2017 job increase was similar to the national job gain of 1.5 percent.
- December marked the third consecutive monthly gain in the state's payroll job total and the ninth overall monthly job increase in 2017.
- Although minor, the December job gain in *Construction* pushed this sector's total job count to 165,000, which was the highest level posted in 2017.
- *Manufacturing* jobs rose in December for the third month in a row. This sector's December count of 607,000 was only slightly below the 2017 peak of 609,000 displayed in both April and May.
- *Retail trade* job trends throughout 2017 were sluggish. From November to December, jobs in this sector were little changed on a seasonally adjusted basis. From December 2016 to December 2017, *Retail trade* jobs fell by 3,000 or 0.7 percent
- Throughout 2017, jobs in several Michigan industry sectors have displayed fairly consistent monthly upward job trends, including *Professional and business services*, *Education and health services* and *Leisure and hospitality services*. All three sectors in December reached or matched their highest job totals.
- Since December 2016, payroll jobs in Michigan increased by 57,000 or 1.3 percent, which was similar to the national gain over this period of 1.4 percent. All 11 of the state's major industry sectors recorded job increases since December 2016, paced by *Professional and business services* (+15,000 or 2.3 percent), *Leisure and hospitality services* (+9,000 or 2.0 percent), *Construction* (+7,000 or 4.7 percent) and *Education and health services* (+7,000 or 1.0 percent).
- Seasonally adjusted average weekly hours and earnings of production workers in *Manufacturing* increased over the month, as well as over the year.

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MICHIGAN
Payroll Employment Estimates
Seasonally Adjusted
 (Data in Thousands)

	<u>December</u>	<u>November*</u>	<u>December**</u>	<u>CHANGE***</u>	
	<u>2016</u>	<u>2017</u>	<u>2017</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,369	4,416	4,426	10	57
Natural Resources & Mining	7	7	8	0	1
Construction	158	163	165	2	7
Manufacturing	602	605	607	2	5
Transportation Equipment	180	178	178	-1	-3
Trade, Transportation & Utilities	782	784	783	0	1
Retail Trade	472	468	469	0	-3
Information	58	58	58	0	1
Financial Activities	217	218	219	1	2
Professional & Business Services	662	677	677	1	15
Education & Health Services	668	674	675	1	7
Leisure & Hospitality Services	434	442	443	1	9
Other Services	172	175	176	1	4
Government	610	613	615	2	5

* Final data for November 2017

** Preliminary data for December 2017

*** Change calculated using unrounded data

Hours & Earnings for Production Workers
Seasonally Adjusted

Manufacturing

	<u>December</u>	<u>November</u>	<u>December</u>	<u>CHANGE</u>	
	<u>2016</u>	<u>2017</u>	<u>2017</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$870.17	\$903.30	\$918.37	\$15.07	\$48.20
Average Weekly Hours	42.5	43.3	44.0	0.7	1.5

Transportation Equipment

Average Weekly Earnings	\$1,019.87	\$1,112.12	\$1,125.25	\$13.13	\$105.38
Average Weekly Hours	44.3	46.7	48.0	1.3	3.7

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